

SENATE BILL 712

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2004 Regular Session
4r1576
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By: **Senator Middleton**

Introduced and read first time: February 6, 2004

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 30, 2004

CHAPTER _____

1 AN ACT concerning

2 **Motor Homes and Travel Trailers - Vehicle Excise Tax - Definitions - Repeal**
3 **Extension of Sunset**

4 FOR the purpose of ~~repealing the termination of~~ continuing for a certain length of
5 time certain provisions that alter the definitions of "fair market value" and
6 "total purchase price" for purposes of the vehicle excise tax imposed on a motor
7 home or a travel trailer to exclude from the computation of the tax, subject to a
8 certain limitation, the value of a motor home or travel trailer traded as part of
9 the consideration for the sale; ~~repealing the termination of~~ continuing for a
10 certain length of time certain provisions that provide that certain definitions do
11 not apply to the calculation of the vehicle excise tax imposed on a motor home or
12 a travel trailer until certain bonds are no longer outstanding and unpaid; and
13 generally relating to travel trailers and motor homes.

14 BY repealing and reenacting, without amendments,
15 Article - Transportation
16 Section 13-809(a)
17 Annotated Code of Maryland
18 (2002 Replacement Volume and 2003 Supplement)

19 BY repealing and reenacting, without amendments,
20 Chapter 361 of the Acts of the General Assembly of 2001
21 Section 3

22 BY repealing and reenacting, with amendments,
23 Chapter 361 of the Acts of the General Assembly of 2001
24 Section 5

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Transportation**

4 13-809.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) "Fair market value" means:

7 (i) Except as provided in item (iv) of this paragraph, as to the sale
8 of any new or used vehicle by a licensed dealer, the total purchase price, as certified
9 by the dealer;

10 (ii) As to a used vehicle that is sold by any person other than a
11 licensed dealer and that has a designated model year that is 7 years old or older, the
12 greater of:

13 1. The total purchase price; or

14 2. \$640;

15 (iii) As to any other used vehicle that is sold by any person other
16 than a licensed dealer:

17 1. The total purchase price, if the total purchase price is less
18 than \$500 below the retail value of the vehicle as shown in a national publication of
19 used car values adopted for use by the Department; or

20 2. If the total purchase price is \$500 or more below the retail
21 value of the vehicle as shown in a national publication of used car values adopted for
22 use by the Department:

23 A. The total purchase price, if verified to the satisfaction of
24 the Administration by a notarized bill of sale submitted in accordance with subsection
25 (d)(2) of this section; or

26 B. The valuation shown in the national publication of used
27 car values, if the Administration finds that the documentation submitted under
28 subsection (d)(2) of this section fails to verify the total purchase price;

29 (iv) As to the sale of any new or used motor home or travel trailer by
30 a licensed dealer, or a dealer licensed by another state or a foreign country, the total
31 purchase price, as defined in paragraph (4)(ii) of this subsection, as certified by the
32 dealer on a form acceptable to the Administration; and

33 (v) In any other case, the valuation shown in a national publication
34 of used car values adopted for use by the Department.

1 (3) "Motor home" has the meaning stated in § 11-134.3 of this article.

2 (4) "Total purchase price" means:

3 (i) Except as provided in item (ii) of this paragraph, the price of a
4 vehicle agreed on by the buyer and the seller, including any dealer processing charge,
5 with no allowance for trade-in or other nonmonetary consideration; and

6 (ii) In the case of a motor home or travel trailer, the price of the
7 motor home or travel trailer agreed on by the buyer and the seller less the value, not
8 to exceed the value shown in a national publication of used motor home and travel
9 trailer values adopted for use by the Department, of any motor home or travel trailer
10 that is traded in as part of the consideration of the sale.

11 (5) "Travel trailer" has the meaning stated in § 11-170 of this article.

12 **Chapter 361 of the Acts of 2001**

13 SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding the
14 provisions of Section 1 of this Act, the modified definitions of "fair market value" and
15 "total purchase price" for the purposes of the calculation of the motor vehicle excise
16 tax imposed on a motor home or a travel trailer under § 13-809(a) of the
17 Transportation Article as enacted under Section 1 of this Act do not apply until any
18 Consolidated Transportation Bonds that were issued by the Department of
19 Transportation before July 1, 2001 no longer remain outstanding and unpaid;
20 provided however, that in any fiscal year for which funds are appropriated by the
21 General Assembly to pay the principal of and interest on the Department of
22 Transportation's Consolidated Transportation Bonds due and payable in that fiscal
23 year, the Motor Vehicle Administration shall collect the reduced motor vehicle excise
24 tax imposed on a motor home or travel trailer by utilizing the modified definitions as
25 enacted under Section 1 of this Act.

26 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 2001. {Sections 1 and 3 of this Act shall remain effective for a period of ~~3~~ 6
28 years and, at the end of June 30, ~~2004~~ 2007, with no further action required by the
29 General Assembly, Sections 1 and 3 of this Act shall be abrogated and of no further
30 force and effect.}

31 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of
32 Transportation shall track the value of trade-ins of motor homes and travel trailers
33 for purposes of determining the impact of this Act on vehicle excise tax revenues. The
34 Department shall submit, in accordance with § 2-1246 of the State Government
35 Article, a report to the fiscal committees of the General Assembly on the impact to the
36 Transportation Trust Fund and economic benefits of this Act no later than October 1,
37 2006.

38 ~~SECTION 2-3.~~ AND BE IT FURTHER ENACTED, That this Act shall take
39 effect June 1, 2004.

